

Strategic Goal: Effective Management

EPA will establish a management infrastructure that will set and implement the highest quality standards for effective internal management and fiscal responsibility.

BACKGROUND AND CONTEXT

Efforts under this goal support the full range of Agency activities for a healthy and sustainable environment. To advance the protection of human health and the environment, effective vision and leadership, sound management practices, results-based planning and budgeting, fiscal accountability, quality customer service, rational policy guidance and careful stewardship of our resources form the foundation for everything EPA does.

The effectiveness of EPA's management will determine, in large measure, how successful we progress towards the goals identified in the Agency's annual plan and the long-term goals in the strategic plan. Agency management systems and processes will be supported by independent evaluations that promote efficient and effective programs, so that we can obtain the greatest return on taxpayer investment.

MEANS AND STRATEGY

The Agency will provide vision and leadership as well as executive direction and policy oversight for all EPA programs. In keeping with its commitment to protect children's health, the Agency will target resources towards EPA's many diverse children's activities. The Agency will provide policy direction and guidance on equal employment opportunity and civil rights. The Agency's Administrative Law Judges and its Environmental Appeals Board Judges will issue decisions on administrative complaints and environmental adjudications, respectively, in a timely manner.

The Agency will provide the management services, administrative support and operations to enable the Agency to achieve its environmental mission and to meet its fiduciary and workforce responsibilities. We will manage an integrated planning, budgeting, analysis, financial management and accountability process to ensure effective stewardship of resources which meets

statutory requirements of GPRA, CFO, and related legislation.

In 1999, the Agency will design an accountability system that captures all key performance measures, and begin to develop a cost accounting system to enable Agency managers and stakeholders to know the full cost of Agency programs and the resources associated with achievement of environmental results. The strategy for ensuring sound management of administrative services will be accomplished by managing information systems effectively, ensuring a high level of integrity and accountability in the management of grants and contracts, and investing in our human resources to ensure that the Agency's workforce is of the highest caliber and is fully prepared to deliver national leadership and expertise in environmental protection.

The Agency will provide a quality work environment that considers employee safety and security, building operations, utilities, facilities, new construction, repairs and pollution prevention,

within Headquarters and nationwide. Plans for building operations and new construction supports existing infrastructure requirements that ensure healthy, safe and secure work environments that reflect the pollution prevention values of EPA and helps fulfill the scientific and functional requirements of our programs. In FY1999, EPA will make significant progress in completing the consolidated new Headquarters, as well as the consolidated research lab at Research Triangle Park in North Carolina.

The Agency will provide audit and investigative products and services, all of which can facilitate the accomplishment of the Agency's mission. The Agency will conduct performance audit work with a focus on environmental results, and assist the Agency in implementing performance evaluation to promote full compliance with GPRA. We will continue emphasizing contract and assistance agreement audits and investigations to ensure integrity in the application of Agency resources. For example, 15 construction grant closeout audits are scheduled to be conducted in 1999. We plan to increase collaboration between

audits and investigations to reduce the risk of fraud and other improprieties. We will also increase assistance services to the Agency to help resolve significant management problems and achieve maximum efficiency and effectiveness. These strategies will assist the Agency in accomplishing its mission and improve the performance and integrity of its programs and operations.

STATUTORY AUTHORITY

- Administrative Procedure Act
- Annual Appropriations Act
- Civil Rights Act of 1964, Title VII
- Civil Rights Act of 1964, Title VI
- Clean Water Act, Clean Air Act, 41 CFR and D.C. Recycling Act of 1998
- Clinger-Cohen Act
- Comprehensive Environmental Response, Compensation, and Liability Act
- Computer Security Act
- Electronic Freedom of Information Act
- EPA's Environmental Statutes, and the Federal Grant and Cooperative Agreement Act
- Federal Acquisition Regulations (FAR), contract law, and EPA's Assistance Regulations (40CFR Parts 30, 31, 35, 40, 45, 46, 47)
- Federal Manager's Financial Integrity Act (1982)
- Federal Property and Administrations Service Act
- Freedom of Information Act
- Government Management Reform Act (1994)
- Inspector General Act of 1978
- Inspector General Act Amendments of 1988
- Paperwork Reduction Act
- Privacy Act
- Public Buildings Act
- The Chief Financial Officers Act (1990)
- The Government Performance and Results Act (1993)
- The Prompt Payment Act (1982)
- Title 5 United States Code.

Resource Summary

(Dollars in thousands)

	FY 1999 Pres. Budget	FY 1999 Enacted
Effective Management	\$659,860.5	\$645,174.0
Executive Leadership	\$30,895.9	\$31,112.6
EPM	\$30,806.5	\$31,023.2
SF	\$89.4	\$89.4
Management Services, Administrative, and Stewardship	\$234,293.9	\$220,806.1
EPM	\$173,112.3	\$162,828.9
S&T	\$226.0	\$326.0
LUST	\$1,047.6	\$1,047.7
OIL	\$3.3	\$3.3
IG	\$72.1	\$72.1
SF	\$59,832.6	\$56,528.1
Building Operations, Utilities and New Construction	\$354,753.9	\$353,366.1
EPM	\$238,022.3	\$233,245.5
B&F	\$52,948.0	\$56,948.0
LUST	\$1,033.6	\$1,033.6
OIL	\$537.8	\$537.8
IG	\$2,537.9	\$4,021.9
SF	\$59,674.3	\$57,579.3
Provide Audit and Investigative Products and Services	\$39,916.8	\$39,889.2
EPM	\$619.7	\$592.2
IG	\$28,544.0	\$39,297.0
SF	\$10,753.1	\$0.0
Total Workyears:	2,974.7	2,991.2

Strategic Objective: Executive Leadership

Key Programs

(Dollars in thousands)

	1999 Pres Bud	1999 Enacted
EMPACT	\$1,000	\$81
Civil Rights/Title VI Compliance	\$1,312	\$1,637
Immediate Office of the Administrator	\$3,691	\$2,791
Administrative Law	\$2,124	\$2,324
Children's Health, Program Development and Coordination	\$5,716	\$6,158

Annual Performance Goals and Measures

CHILDREN'S HEALTH

By 1999: By the end of 1999, evaluate 5 EPA standards to ensure they are protective of children's health.

Performance Measures:

Target:

Re-evaluate standards to ensure they consider children's special health needs

<5 standards

Baseline: Baseline will be established in 2000.

Strategic Objective: Management Services, Administrative, and Stewardship

Key Programs

(Dollars in thousands)

	1999 Pres Bud	1999 Enacted
Human Resources Management	\$22,297	\$21,932
Contracts Management	\$27,674	\$24,986
Grants Management	\$9,680	\$8,569
Information Technology Management	\$24,978	\$21,975
Reinventing Environmental Information (REI)	\$2,500	\$2,507
Environmental Finance Center Grants (EFC)	\$940	\$1,065
Planning and Resources Management	\$73,627	\$69,120
Regional Management	\$41,046	\$42,535

Annual Performance Goals and Measures

GPRA IMPLEMENTATION

By 1999: By the end of 1999, the Agency can plan and track performance against annual goals and capture 100% of costs through the new PBAA structure, based on modified budget and financial accounting systems, a new accountability process and new cost accounting mechanisms.

Performance Measures:

Target:

The Accountability System tracks accomplishments against annual performance goals and measures and provides the information necessary for evaluating and adjusting program activities.

9/30/99

Baseline: OCFO's Congressional/Vital Few Annual Performance Goal and Measures reflect top mission priorities that will be achieved in FY 1999.

PERFORMANCE-BASED CONTRACTING

By 1999: EPA will improve the quality, effectiveness and efficiency of EPA's acquisition and Contract management process by completing 10% of contracts utilizing performance-based statement of works.

Performance Measures:**Target:**

Percentage of contracts utilizing performance-based statements of work.

10 Percent

Baseline: Baseline is 10% in 1999, 5% in 1998, and 0% in 1997.**Y2K COMPLIANCE****By 1999:** All mission critical systems will continue to support core Agency functions without interruption across Year 2000 date change.**Performance Measures:****Target:**

Percentage of mission-critical systems functioning in accordance with Y2K requirement.

100 Percent

Baseline: In 1999, all 58 mission critical systems are operating properly and are functioning in accordance with Y2K requirements.

Strategic Objective: Building Operations, Utilities and New Construction

Key Programs

(Dollars in thousands)

	1999 Pres Bud	1999 Enacted
New Construction: New Headquarters Project	\$15,945	\$15,945
New Construction: RTP New Building Project	\$32,000	\$36,000
Facility Operations: Repairs and Improvements	\$15,428	\$15,428
Facility Operations: Security	\$12,962	\$12,962
Facility Operations: Agency Rental/ Direct Lease	\$170,572	\$170,572
Facility Operations: Agency Utilities	\$10,715	\$10,015
Regional Program Infrastructure	\$67,143	\$66,532

Annual Performance Goals and Measures

NEW HQ CONSOLIDATION

By 1999: Continue renovation of the new consolidated headquarters complex completing 100% buildout of the Ariel Rios north and Wilson building and 50% of the base buildout of the Interstate Commerce Commission building. Move 38% of EPA personnel from vacated spaces to the new consolidated complex.

Performance Measures:	Target:
Percentage of the Interstate Commerce Commission (ICC)/Customs building completed.	50 Percent
Percentage of EPA personnel consolidated into Headquarters complex.	38 Percent
Complete buildout of Ariel Rios Building	100 Percent

Baseline: In 1999, RTP construction baseline is 50% completion, the Interstate Commerce Commission baseline is 50% completion, and 100% completion of FT. Mead Lab construction. Also, 38% of EPA personnel will be consolidated into the new HQ complex.

RTP CONSTRUCTION

By 1999: Complete at least 50% of construction of the consolidated research lab at Research Triangle Park North Carolina.

Performance Measures:**Target:**

Percent of new RTP building construction completed.

50 Percent

Baseline: Complete 22% of construction at RTP.

Strategic Objective: Provide Audit and Investigative Products and Services

Key Programs

(Dollars in thousands)

	1999 Pres Bud	1999 Enacted
Contract Audits	\$4,951	\$4,951
Assistance Agreement Audits	\$6,831	\$6,831
Program Audits	\$10,264	\$10,264
Financial Statement Audits	\$4,188	\$4,188
Program Integrity Investigations	\$912	\$912
Assistance Agreement Investigations	\$2,650	\$2,650
Contract and Procurement Investigations	\$2,913	\$2,913
Employee Integrity Investigations	\$953	\$953

Annual Performance Goals and Measures

PROVIDE OBJECTIVE, TIMELY, AND INDEPENDENT AUDITING, CONSULTING, AND INVESTIGATIVE SERVICES

In 1999: The OIG will provide objective, timely, and independent auditing, consulting, and investigative services through such actions as completing 15 construction grant closeout audits.

Performance Measures:	Target:
Monetary value of recommendations, questioned costs, savings, and recoveries.	\$118.5 M
Monetary value of fines, judgements, settlements, restitutions, and savings	\$4.16 M
IG recommendations made to improve the economy, efficiency, and effectiveness of operations and environmental programs.	57 Recom/Action
Judicial, Administration and other actions taken to enforce law, reduce or avoid risk.	52 Actions
Construction Grants Closeout Audits	15 Audits

Baseline: The Office of Investigations will use \$ 4.24 million as their performance baseline for monetary value of fines, judgements, settlements, restitutions, and savings, for judicial, administrative, and other actions taken to enforce law, reduce or avoid risk, 53 judicial and administrative actions will be the performance baseline, 68.9 assistance agreements and contracts opened will be the baseline, percentage of cases completed resulting in referrals will have a baseline of 37.1% and percentage of cases completed or referred within one year initiation will be 52%.

EXTERNAL FACTORS

New legislation that would impose major new requirements necessitating a shift in existing priorities absent any commensurate increase in resources in areas such as strategic planning, performance measurement, and/or resource and financial management.

New administrative requirements in areas such as accounting standards and reporting from central offices such as OMB or Department of Treasury or other central offices that would impose new requirements for Agency financial and other systems.

The ability of the Office of Investigations, Office of Inspector General, to accomplish its annual performance goal is dependent, in part, on external factors. Indictments, convictions, fines, restitutions, civil recoveries, suspensions, and debarments are affected by the actions of others (e.g., the Department of Justice). In addition, the prosecutive criteria established within various jurisdictions (e.g., dollar thresholds) can affect the number of cases.

VERIFICATION AND VALIDATION OF PERFORMANCE MEASURES

The Office of Children's Health Protection will evaluate 5 EPA standards to ensure they consider the special needs of children's health. Records will be maintained. Agency financial systems such as IFMS, MARS, EPAYS, and SCORPIOS will be used in preparing a variety of financial material and reports as required by the Chief Financial Officer (CFO) Act, the Government Management Reform Act (GMRA), the Federal Financial Managers Integrity Act (FFMIA), and the Government Performance and Results Act (GPRA).

An accountability system is currently being designed to manage the data for all key performance measures to track progress toward annual performance goals, against which the Agency will be held accountable to Congress and the public. The NPMs will be the source of the data in the accountability system and will be responsible for its accuracy and quality.

The Agency requires a timely, accurate and useful data system for program audit follow-up. The Management Audit Tracking System (MATs)

is such a data system. Through MATs, the Agency aggressively tracks follow-up on its Office of Inspector General (OIG) audit findings and recommendations.

The approach to validate progress in reaching Agency performance targets will also rely on the Agency's automated performance measure system to capture programmatic and customer service outcomes. The system will require periodic updating of performance data. Performance information will be collected and evaluated against targets on a quarterly basis.

The collection of performance data will involve a variety of methods, for example customer service surveys. Customer service surveys will be conducted annually to measure customer service satisfaction with management and administrative services. The results of the customer service survey will be used to validate performance measures.

The major sources of key performance measure data for the Office of Audit (OA) are the Inspector

General Operation and Reporting (IGOR) system, customer surveys, and selected follow up reviews. The IGOR system is an integrated tracking system for the OIG and includes a module for OA. The reports generated by IGOR are used by OA management to monitor workload assignments, the cost, timeliness, and efficiency of audit work products (reports, memorandums, and briefings), and employee time.

Each Headquarters and divisional staff member is responsible for data integrity and accuracy. Data accuracy is subject to reviews by OA management, an OIG Management Assessment Review team, and a peer review team from another Federal Office of Inspector General.

Customer surveys measure the timeliness, relevancy, usefulness, and responsiveness of our products and services. Follow up reviews validate the relevancy and effectiveness of our work and involvement toward the achievement of environmental outputs and outcomes. OIG is not aware of any limitations of performance data.

The major source of key performance measure data for the Office of Investigations (OI) is also IGOR. The IGOR system will include a module for OI. The reports generated by this system are used by OI management to evaluate productivity by tracking the number of cases opened and closed, personnel time charges, judicial and administrative actions (such as indictments, convictions, suspensions, and debarments, sentencing or personnel actions), and financial information to include fines, recoveries, judgments, settlements, restitutions, and savings.

Divisional personnel are responsible for entering data on personnel time charges and

verifying that these charges are accurately reflected in the system. An investigative information specialist in Headquarters monitors data entered by divisional personnel and enters information on case openings and closings, judicial and administrative actions, and financial information. Management accountability reports are prepared and sent to Headquarters desk officers and divisional personnel for review and verification. The accuracy of data in the system is also subject to independent review by an OIG Management Assessment Review team.

The primary sources of key performance measure data within the Program Support Staff are the EPA Integrated Financial Management System (IFMS) and the EPA Budget Automation System (BAS). The IFMS generates the information necessary to prepare annual operating plans and monthly status of funds reports which are used by OIG management to effectively and efficiently use available resources.

This system provides detailed information on operating plan projections as well as expenditures and remaining balances by account and budget object class. The BAS contains budget development information which is used by OIG management to estimate future budget needs and to implement the requirements of the Government Performance and Results Act. Data is entered in IFMS and BAS by both the OIG and Agency personnel who are responsible for verifying that the information is accurately reflected. System security is maintained through the use of passwords. The accuracy of data in the IFMS and BAS are subject to audit by the EPA Office of Inspector General and the General Accounting Office.